

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL & GAS DOCKET NO. 20-0279761

**IN RE: P-5 ORGANIZATION REPORT OF NORTH TEXAS LLANO OPERATING
CORP**

FINAL ORDER

The Commission finds that after notice and an opportunity for hearing regarding the captioned matter, the Operator failed to request a hearing and pay the hearing fee as required by 16 TEX. ADMIN. CODE §3.15(g)(4) and TEX. NAT. RES. CODE §89.022(f). This matter having been duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas, the Commission makes the following findings of fact and conclusions of law.

FINDINGS OF FACT

1. North Texas Llano Operating Corp [Operator #614199] (the "Operator"), is the record operator or one or more inactive wells in the State of Texas and is required to file Organization Report (Form P-5) with the Commission. Operator's most recent P-5 was due on or before August 1, 2012.
2. After filing its most recent Organization Report (Form P-5) with the Commission, the Operator was notified they were deficient and had failed to comply with the requirements of 16 TEX. ADMIN. CODE § 3.15 (Surface Equipment Removal Requirements and Inactive Wells) and provided with a written statement of the reasons for the determination and allowed ninety (90) days from the date its P-5 was due to comply with the requirements of 16 TEX. ADMIN. CODE § 3.15 and TEX. NAT. RES. CODE §§89.021 - 89.030.
3. After the expiration of ninety (90) days and pursuant to 16 TEX. ADMIN CODE §3.15(g)(4), an authorized Commission employee determined that the Operator's Organization Report still could not be renewed because the Operator continued to fail to comply with the requirements of 16 TEX. ADMIN. CODE §3.15 (Surface Equipment Removal Requirements and Inactive Wells).
4. The Commission sent the Operator a letter notifying the Operator of the determination of continued non-compliance, that the Operator had a right to request a hearing, and that the hearing request and non-refundable hearing fee had to be received by the Commission no later than 30 days after the date of the letter. The letter included a list, attached as Exhibit A to this order, of the wells that remained out of compliance with Statewide Rule 15 (16 TEX. ADMIN. CODE §3.15).

5. All notices and letters from the Commission to the Operator on this matter were addressed and mailed to the Operator's most recently reported address on the Form P-5 Organization Report.

6. The Operator did not timely request a hearing and pay the hearing fee on these issues as required under 16 TEX. ADMIN. CODE §3.15(g)(4) (Surface Equipment Removal Requirements and Inactive Wells).

7. Statewide Rule 15 (16 TEX. ADMIN. CODE §3.15) is a Commission rule that relates to safety or the prevention or control of pollution.

CONCLUSIONS OF LAW

1. The Operator received proper notice and an opportunity for hearing regarding compliance with 16 Tex. Admin. Code §3.15 and Tex. Nat. Res. Code §§89.021 - 89.030.

2. All things necessary to the Commission attaining jurisdiction over the subject matter and the parties in this matter have been performed or have occurred.

3. The Operator is in violation of Commission Statewide Rule 15 and did not timely request a hearing to contest the determination that it was in violation.

4. Denial of renewal of the Operator's P-5 Organization Report is authorized and required by 16 Tex. Admin. Code §3.15(g)(4) and Tex. Nat. Res. Code §§89.022(f).

5. The Operator's P-5 Organization Report cannot be renewed until the operator brings the inactive wells shown on the attached Exhibit A into compliance with the requirements of 16 Tex. Admin. Code §3.15 and Tex. Nat. Res. Code §§89.021 - 89.030.

IT IS ORDERED that renewal of North Texas Llano Operating Corp's P-5 Organization Report is hereby **DENIED**.

It is further ORDERED that North Texas Llano Operating Corp shall bring the wells on Exhibit A into compliance with Statewide Rule 15 (16 TEX. ADMIN. CODE §3.15) and that the Operator's P-5 Organization Report shall not be renewed until the wells on Exhibit A have been brought into compliance as required by this order.

It is further ORDERED that North Texas Llano Operating Corp and each person who held a position of ownership or control in the Operator at the time the Operator's most-recent P-5 Organization Report was filed shall be subject to the terms of TEX. NAT. RES. CODE §91.114.

It is further **ORDERED** by the Commission that this order shall not be final and effective until 20 days after a party is notified of the Commission's order. A party is presumed to have been notified of the Commission's order three days after the date on which the notice is actually mailed. If a timely motion for rehearing is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion is granted, this order shall be subject to further action by the Commission. Pursuant to TEX. GOV'T. CODE §2001.146(e), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law, is hereby extended until 90 days from the date the parties are notified of the order.

All requested Findings of Fact and Conclusions of Law which are not expressly adopted herein are **DENIED**. All pending motions and request for relief not previously granted or granted herein are **DENIED**.

RAILROAD COMMISSION OF TEXAS

(Signatures affixed by Rule 15 Inactive Well
Master Order dated January 29, 2013.)

API Number	District	ID Number	Lease Name	Well Number
233 30929	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	63
233 30930	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	64
233 30931	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	65D
233 31493	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	67
233 31494	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	68
233 31495	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	69
233 31496	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	70
233 31497	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	71
233 31515	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	73
233 31762	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	76
233 31763	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	77

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
233 31764	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	78
233 31766	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	80
233 31767	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	81
233 31768	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	82
233 31769	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	83
233 31770	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	84
233 31771	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	74
233 31809	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	75
233 32191	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	89
233 32192	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	88
233 32201	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	86

API Number	District	ID Number	Lease Name	Well Number
233 32202	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	93
233 32204	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	85
233 32205	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	92
233 32206	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	91
233 32207	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	90
233 32208	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	94
233 32210	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	87
233 32242	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	95
233 32243	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	96
233 32244	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	98
233 32245	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	97

API Number	District	ID Number	Lease Name	Well Number
233 32246	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	99
233 84296	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	B 1
233 84297	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	B 2
233 84298	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	B 4
233 84299	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	B 8
233 84300	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	B 10
233 84302	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	B 13
233 84303	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	B 15
233 84304	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	B 17
233 84305	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	B 18
233 84306	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	B 19

API Number	District	ID Number	Lease Name	Well Number
233 84307	10	01671	STATE OF TEXAS A-B	B 20
Electricity must be disconnected (certify on Form W-3C)				
Production fluids must be purged (certify on Form W-3C)				
No approved W-3X on file				
233 84308	10	01671	STATE OF TEXAS A-B	B 21
Electricity must be disconnected (certify on Form W-3C)				
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				
233 84309	10	01671	STATE OF TEXAS A-B	B 22
Electricity must be disconnected (certify on Form W-3C)				
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				
233 84311	10	01671	STATE OF TEXAS A-B	B 24
Electricity must be disconnected (certify on Form W-3C)				
Production fluids must be purged (certify on Form W-3C)				
No approved W-3X on file				
233 84312	10	01671	STATE OF TEXAS A-B	B 25
Electricity must be disconnected (certify on Form W-3C)				
Production fluids must be purged (certify on Form W-3C)				
No approved W-3X on file				
233 84313	10	01671	STATE OF TEXAS A-B	B 26
Electricity must be disconnected (certify on Form W-3C)				
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				
233 84314	10	01671	STATE OF TEXAS A-B	B 27
Electricity must be disconnected (certify on Form W-3C)				
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				
233 84315	10	01671	STATE OF TEXAS A-B	B 28
Electricity must be disconnected (certify on Form W-3C)				
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				
233 84316	10	01671	STATE OF TEXAS A-B	B 31
Electricity must be disconnected (certify on Form W-3C)				
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				
233 84317	10	01671	STATE OF TEXAS A-B	B 33
Electricity must be disconnected (certify on Form W-3C)				
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				
233 84318	10	01671	STATE OF TEXAS A-B	B 35
Electricity must be disconnected (certify on Form W-3C)				
Production fluids must be purged (certify on Form W-3C)				
No approved W-3X on file				

API Number	District	ID Number	Lease Name	Well Number
233 84319	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	B 36
233 84320	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	B 37
233 84322	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	B 40
233 84323	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	B 42
233 84324	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	B 43
233 84325	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	B 44
233 84327	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	B 46
233 84329	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	B 50
233 84330	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	B 52
233 84332	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	B 55
233 84333	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	B 57

API Number	District	ID Number	Lease Name	Well Number
233 84334	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	B 58
233 84335	10	01671	STATE OF TEXAS A-B Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	B 62
233 84965	10	02378	STATE OF TEXAS -A-C- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	40W
233 85557	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file Must resolve UIC H-5 Test issue preventing 14(B)(2) approval	A 11W
233 85580	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	A 33
233 85581	10	04274	STATE OF TEXAS -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	A 34